



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 4/06/2001

GAIN Report #MX1044

## Mexico

## Coffee

# Mexico Announces New Supports for Coffee Growers

## 2001

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### Report Highlights:

**SAGARPA will provide economic assistance, through state governments, to coffee growers who have less than 5 hectares of coffee plantings. SAGARPA has earmarked approximately US \$36 million to help 249,046 coffee growers with a total of 452,845 hectares in 10 coffee producing states in Mexico.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Mexico [MX1], MX



The Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Foodstuffs (SAGARPA), this week announced in the *Diario Oficial* (Mexico's Federal Register) the new supports to coffee producers in several states. The new support, called "Special Support Program for Coffee Investments", will be applied to coffee growers in 10 states (see table below). The new support payment program will be valid upto December 31, 2001. The breakdown of supports by state are as follows:

State	Total Amount of Support (Pesos)	Total Area to be benefitted (Has.)	Coffee Growers to be Benefitted by the Program
Chiapas	98,905,942.50	131,874.00	67,010
Veracruz	83,492,640.00	111,323.52	63,288
Puebla	31,229,122.50	41,638.83	29,551
Oaxaca	76,848,675.00	102,464.90	49,225
Tabasco	1,571,400.00	2,095.20	935
Jalisco	714,000.00	952.00	454
Colima	1,086,562.50	1,448.75	725
San Luis Potosi	16,386,960.00	21,849.00	12,694
Nayarit	4,851,750.00	6,469.00	2,579
Hidalgo	28,649,370.00	39,199.00	25,164
Total	343,736,422.50	459,314.20	251,625

Current rate of exchange: U.S.\$1.00 = 9.45 Pesos

The new supports will be managed by each state government, and will be distributed to coffee growers with ownership of 5 or less hectares planted with coffee. The support will be applied to either of the three following activities: 1). Economic support for each kilogram of coffee harvested; 2). Economic support for maintenance of each coffee planted area eligible to participate in the program; 3). Economic support to each eligible coffee producer for harvest or maintenance of their coffee plantation.

The exact amount of economic support to each coffee grower has not yet been established, but it will be in equal amounts distributed among the eligible coffee growers of each state.